

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT APPLICATION OF)	
LOUISVILLE GAS AND ELECTRIC COMPANY AND)	
KENTUCKY UTILITIES COMPANY FOR A)	CASE NO.
CERTIFICATE OF PUBLIC CONVENIENCE AND)	2018-00005
NECESSITY FOR FULL DEPLOYMENT OF)	
ADVANCED METERING SYSTEMS)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
TO THE ATTORNEY GENERAL

The Attorney General, by and through his Office of Rate Intervention, ("Attorney General"), pursuant to 807 KAR 5:001, is to file with the Commission the original and an electronic version of the following information. The information requested herein is due on June 8, 2018. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed.

Each response shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

The Attorney General shall make timely amendment to any prior response if he obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which the Attorney General fails or refuses to furnish all or part of the requested information, he shall provide a written explanation of the specific grounds for his failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, the Attorney General shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Provide a list showing any differences between the direct testimony of Paul J. Alvarez (“Alvarez Testimony”) in the instant case, as compared to the testimony submitted in Case Nos. 2017-00370¹ and 2016-00371.²
2. Provide a chart listing any case number in which Mr. Alvarez has advocated positively for the installation of smart meter technologies.

¹ Case No. 2016-00370, *Electronic Application of Kentucky Utilities Company for an Adjustment of Its Electric Rates and for Certificates of Public Convenience and Necessity* (Ky. PSC Aug. 3, 2017).

² Case No. 2016-00371, *Electronic Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Rates and for Certificates of Public Convenience and Necessity* (Ky. PSC Aug. 3, 2017).

3. Refer to the Alvarez Testimony, pages 9-10. Mr. Alvarez states that: “In addition, I would like to discuss a smart meter benefit type of significant size, which I believe to be necessary to a favorable customer benefit cost ratio, which is not currently available based on the Companies’ current circumstances. That is, the opportunity to avoid or delay investments designed to increase system capacity during coincident system peaks through extensive customer participation in time-varying rates.” State whether Mr. Alvarez is aware Louisville Gas and Electric Company (“LG&E”) and Kentucky Utilities Company (“KU”) each offer a Residential Time-of-Day-Demand tariff, and a Residential Time-of-Day-Energy tariff.

4. Refer to the Alvarez Testimony, page 11, lines 8-15. State whether Mr. Alvarez is aware that LG&E and KU filed rates cases in 2012, 2014, and 2016, and have announced their intention to file base rate cases in 2018.

5. Refer to the Alvarez Testimony, page 14, lines 15-19. Given that LG&E and KU’s AMS meter deployment, if approved, will not be fully operational until mid-2021,³ explain why the test year in LG&E and KU’s forthcoming rate cases should include operational savings due to the AMS deployment.

6. Refer to the Alvarez Testimony at 42–44 and LG&E and KU’s response to the Attorney General’s First Request for Information (“Attorney General’s First Request”), Item 20.c. Confirm that the Alvarez Testimony, including the chart on page 44, compares the Nominal Revenue Requirement capital costs, which include the expected impacts of the Tax Cuts and Jobs Act (“TCJA”), to the Net Present Value Revenue Requirements,

³ Application, Exhibit JPM-1, page 53 of 64. “Full Company and customer benefits will not be realized until remaining AMS systems are brought online later in the program, which is expected to be in mid-2021.”

excluding the expected impacts of the TCJA, to determine that LGE and KU increased the present value revenue requirement by \$198.6 million.

7. Refer to the Alvarez Testimony at 43, lines 11–14, and LG&E’s and KU’s responses to the Attorney General’s Supplemental Request for Information, Item 12. Confirm that the referenced data responses request the calculations to convert the nominal revenue requirement to the net present value revenue requirement and not for the calculations to convert the nominal cash outlays to nominal revenue requirements as the Alvarez Testimony suggests.

8. Refer to the Alvarez Testimony at 44 – 45. Confirm that recovery of existing meters already is included in LG&E’s and KU’s existing rates.

9. Refer to LG&E’s and KU’s response to the Attorney General’s First Request, Item 20.c. and LG&E’s and KU’s Informational Update, filed January 30, 2018. Confirm that LG&E’s and KU’s Net Present Value Revenue Requirement capital costs decreased by \$16 million to account for the expected impacts of the TCJA.



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DATED **MAY 29 2018**

cc: Parties of Record

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